



USDA-NASS

Montana Crop & Livestock Reporter

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Montana Agricultural Statistics Service

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HIGHLIGHTS:

Small Grains Forecast
Potato Acreage
Dry Edible Peas, Lentils Forecast
Wheat Supply & Demand - ERS
Ag Prices Received

July 1 Crop Forecast

Based on July 1 conditions, Montana's **all wheat production** is expected to be 164.5 million bushels up 50% from last year's drought reduced crop. The area for harvest is expected to be 5.19 million acres, unchanged from the June Acreage report but up 9% from last year.

The forecasted **winter wheat** yield, at 37.0 bushels per acre, is up 9 bushels from last year. Production is forecast to be 64.75 million bushels, three times higher than last year because producers expect to harvest 1.0 million more acres and expect a higher yield. For the week ending July 6th, winter wheat conditions were rated 5% very poor, 11% poor, 33% fair, 40% good and 11% excellent. Crop development is ahead of normal as 65% of the crop was rated as turning color for the week ending July 6th, compared with 15% last year and 38% for the 5-year average. Recent above normal temperatures and little rainfall has contributed to accelerated development and heightened concerns over potential crop yields.

The first **spring wheat** production forecast is 81.2 million bushels, up 7% from last year's production due to higher expected yields. The harvested acres are expected to be 2.8 million, down 19% from 2002. The expected yield of 29.0 bushels per acre is up 7 bushels per acre from last year. Spring wheat conditions are rated about the same as a year ago for the week ending July 6th at 3% very poor, 7% poor, 30% fair, 55% good, and 5% excellent. **Durum wheat** production is forecast to be 18.56 million bushels, up 43% from last year due to higher expected yield and a 13% increase in harvested acreage. Harvested acreage is expected to be 640,000 acres. The expected yield of 29.0 bushels per acre is up 6 bushels from last year.

Barley yields are expected to average 51.0 bushels per acre in 2003, 9 bushels

better than last year. Barley production is forecast to be 48.45 million bushels compared with 39.9 million produced last year. Growers expect to harvest 950,000 acres, unchanged from 2002. For the week ending July 6th, barley conditions were rated 3% very poor, 9% poor, 25% fair, 47% good and 16% excellent. Crop development is ahead of last year, with 79% reaching boot stage by July 6th, and 49% of the crop headed. The 5-year average for boot stage and heading is 80% and 52%, respectively. **Oats** producers expect to harvest 3.51 million bushels of grain, 30% more than was produced last year. The 2003 area for harvest is expected to be 65,000 acres compared with 55,000 harvested for grain in 2002. The expected yield of 54.0 bushels is 6 bushels better than last year's yield.

Montana **potato** producers planted 10,600 acres during 2003, up 100 acres from last year. The first forecast of potato production will be on November 12, 2003. Pulse crop growers increased their acreage this year. **Dry edible pea** growers planted an estimated 50,000 acres during 2003, and expect to harvest 39,000 acres. Last year, growers planted 32,000 acres of dry edible peas and harvested 27,000 acres. **Lentil** growers planted 32,000 acres this year, up 28% from last year. Producers are expecting to harvest 29,000 of those acres. Last year 25,000 acres of lentils were planted, while 21,000 acres were harvested. **Austrian winter pea** acreage is up slightly from last year. Ten thousand acres were planted during 2003, while 9,500 were planted last year. Only 3,000 acres of this year's crop are expected to be harvested as peas, with the remaining acreage being hayed or grazed.

U.S. winter wheat acres harvested for grain are forecast at 36.5 million, up 23 percent from 2002. Harvest progress, in the 18 major producing States, was 47 percent complete by June 29. This was 10 percentage points behind last year and 3 points behind the 5-year average. Yield increases from last month are forecast in most of the major Hard Red Winter (HRW) States. The U.S. yield is forecast at 47.0 bushels per acre, up 2.4 bushels from last month. **Other spring wheat** acres harvested in the United States is forecast at 13.4 million acres, down slightly from last year. The U.S. yield is forecast at 37.3 bushels per acre, 8.0 bushels higher than

last year. Of the total production, 467 million is Hard Red Spring wheat, up 31 percent from last season. **Durum wheat** area for 2003 grain harvest is expected to total 2.74 million acres, up 1 percent from last year. The U.S. yield is forecast at 34.1 bushels per acre, 4.7 bushels more than last year.

U.S. barley production for 2003 is forecast at 292 million bushels, 28 percent above 2002. Based on conditions as of July 1, the average yield is forecast at 59.5 bushels per acre, up 4.6 bushels from last year. Area harvested, at 4.90 million acres, is up 18 percent from 2002. **Oats** production in the United States for 2003 is forecast at 148 million bushels, 24 percent above last year's 119 million bushels. Area for harvest is estimated at 2.29 million acres, 9 percent above last year. The forecasted yield is 64.7 bushels per acre, 7.9 bushels above 2002. If realized, this would be the highest yield since 1992. Ninety-seven percent of the oat crop was emerged on June 8, ahead of the 5-year average.

Planted acreage of **lentils** in Idaho, Montana, North Dakota, and Washington is estimated at 246,000 acres, up 11 percent from last year and 22 percent above 2001. Harvested acreage is estimated at 240,000, up 15 percent from last year. Planted acreage of **dry edible peas** in the U.S. for 2003 is estimated at 356,000 acres, up 18 percent from last year and 72 percent above 2001. Planted acreage of **Austrian winter peas** in Idaho, Montana, and Oregon is estimated at 21,200 acres, 1 percent below 2002 but 33 percent above the 2001 season. Harvested acreage is estimated at 10,600 acres, down 9 percent from last year but 49 percent above 2 years ago.

U.S. area planted to fall potatoes this year is estimated at 1.11 million acres, down 3 percent from last year but 2 percent above two years ago. Harvest is forecast from 1.09 million acres, down 2 percent from a year ago but 2 percent above 2001. Western States fall potato planted area is estimated at 666,500 acres this year, down 5 percent from last year but 3 percent above 2001. (See table on next page.)

Crop Contacts: Thomas Chard for wheat; John Gibbons for barley and pulse crops; Eric Siebens for oats and potatoes.

Wheat Supply and Demand

Projected U.S. 2003/04 ending stocks of wheat are up 134 million bushels from last month due to a sharply larger supply and only a small increase in expected use. Total wheat production is forecast at 2.311 billion bushels, up more than 40 percent from last year and the largest crop since 1998/1999.

Forecast winter wheat production is 90 million bushels above last month due to higher yields. The first survey-based spring wheat (including durum) production forecast is well above last month's projections, despite lower planted area estimates in the June 30 Acreage

report. Both the harvested-to-planted ratio and yield are higher than the averages assumed last month. Supplies are also boosted by larger reported carryin stocks than forecast last month. Projected exports are up 25 million bushels due to larger U.S. supplies, lower U.S. prices, and reduced competition. The projected 2003/04 price range is down 10 cents on each end to \$2.80 to \$3.40 per bushel.

Projected 2003/04 world wheat production is down slightly from last month but use drops more, leaving ending stocks up slightly from last month. Foreign production is down slightly from last month as reductions for Russia, Ukraine, Eastern Europe, and Pakistan are

only partially offset by increases for Canada and North Africa. Smaller supplies in Ukraine, Eastern Europe, and Pakistan result in higher imports and reduced domestic use, exports, and ending stocks.. Russia's smaller crop is reflected in smaller domestic use, while EU exports, domestic use, and ending stocks decline from last month's projections.

With the larger prospective crops, Canada's exports are increased while North Africa's imports are reduced. Projected global ending stocks are up from last month due to the larger U.S. crop, but are still down sharply from a year earlier.

(See table on back page.)

July 1, 2003 Crop Production Forecast, Montana and U.S.

Crop	Unit	Acres Planted		Acres Harvested		Yield		Production	
		2002	2003 1/	2002	2003 1/	2002	2003 1/	2002	2003 1/
		(000) Acres	(000) Acres	(000) Acres	(000) Acres			(000) Units	
Winter Wheat	Bu.	1,450	1,850	750	1,750	28.0	37.0	21,000	64,750
Durum Wheat	Bu.	590	650	565	640	23.0	29.0	12,995	18,560
Spring Wheat	Bu.	3,750	2,900	3,450	2,800	22.0	29.0	75,900	81,200
All Wheat	Bu.	5,790	5,400	4,765	5,190	23.1	31.7	109,895	164,510
Corn for Grain 2/	Bu.	65.0	60.0	13.0	15.0	140.0	5/	1,820	5/
Oats	Bu.	145	125	55.0	65.0	49.0	54.0	2,695	3,510
Barley	Bu.	1,200	1,200	950	950	42.0	51.0	39,900	48,450
Flaxseed	Bu.	17.0	13.0	15.0	12.0	13.0	5/	195	5/
Dry Beans	Cwt.	26.9	16.0	23.0	15.0	15.7	3/	361	3/
Dry Peas	Cwt.	32.0	50.0	27.0	39.0	7.6	5/	205	5/
Lentils	Cwt.	25.0	32.0	21.0	29.0	7.1	4/	149	4/
Aus. Winter Peas	Cwt.	9.5	10.0	3.5	3.0	5.8	5/	20	5/
Sugar Beets	Ton	58.0	52.3	55.9	52.0	19.6	3/	1,096	3/
Fall Potatoes	Cwt.	10.5	10.6	10.4	10.5	310.0	4/	3,224	4/
Alfalfa Hay	Ton	--	--	1,400	1,650	2.10	3/	2,940	3/
All Other Hay	Ton	--	--	1,200	1,000	1.40	3/	1,680	3/
All Hay	Ton	--	--	2,600	2,650	1.78	3/	4,620	3/
UNITED STATES		(000) Acres		(000) Acres				(000) Units	
Winter Wheat	Bu.	41,735	44,349	29,651	36,491	38.5	47.0	1,142,802	1,715,912
Durum Wheat	Bu.	2,909	2,804	2,703	2,738	29.4	34.1	79,450	93,495
Spring Wheat	Bu.	15,714	13,787	13,463	13,448	29.3	37.3	394,189	501,504
All Wheat	Bu.	60,358	60,940	45,817	52,677	35.3	43.9	1,616,441	2,310,911
Corn for Grain 2/	Bu.	79,054	79,066	69,313	71,985	130.0	3/	9,007,659	3/
Oats	Bu.	5,005	4,676	2,098	2,286	56.8	64.7	119,132	147,895
Barley	Bu.	5,073	5,461	4,135	4,899	54.9	59.5	226,873	291,527
Flaxseed	Bu.	785	583	704	572	17.9	5/	12,569	5/
Dry Beans	Cwt.	1,922.1	1,511.7	1,726.9	1,439.7	17.4	3/	29,974	3/
Dry Peas	Cwt.	302.7	356.0	279.7	334.0	15.2	5/	4,242	5/
Lentils	Cwt.	221.0	246.0	209.0	240.0	12.0	4/	2,508	4/
Aus. Winter Peas	Cwt.	21.5	21.2	11.6	10.6	14.1	5/	164	5/
Sugar Beets	Ton	1,427.3	1,362.4	1,361.1	1,336.8	20.4	3/	27,718	3/
Fall Potatoes	Cwt.	1,144.2	1,114.4	1,114.8	1,093.4	374.0	4/	417,228	4/
Alfalfa Hay	Ton	--	--	23,135	23,541	3.19	3/	73,824	3/
All Other Hay	Ton	--	--	41,362	40,838	1.86	3/	77,138	3/
All Hay	Ton	--	--	64,497	64,379	2.34	3/	150,962	3/

1/ Preliminary. 2/ Planted for all purposes. 3/ Forecast available August 12, 2003. 4/ Forecast available November 12, 2003. 5/ Forecast available January 9, 2004. -- Not published.

Agricultural Prices Received

May 2003 full month crop prices were mostly lower compared with April 2003. Montana's winter wheat average price was \$3.38 per bushel, up \$0.06 from the previous month; spring wheat price was down \$0.04 to \$3.65 per bushel; but durum wheat prices rose \$0.10 to \$4.37 per bushel. Feed barley prices dropped \$0.11 from the previous month to \$2.13 and malt barley prices dropped \$0.04 to \$3.19 per bushel.

The mid-June price for alfalfa hay remained unchanged at \$79.00 per ton, but all other hay increased \$4.00 to \$72.00 per ton. Mid-June grain prices were mixed with winter wheat averaging \$3.28 per bushel, spring wheat was \$3.45 per bushel, durum wheat was \$4.45 per bushel, feed barley was \$2.35 per bushel and malt barley averaged \$3.15 per bushel.

Livestock prices for the full month of May were mostly higher compared to the previous month. Steer and heifer prices increased \$1.10 to \$84.00 per cwt while cows increased \$2.10 to \$45.60. The average price for calves rose \$3.60 to \$99.00 per cwt. Sheep prices were up \$2.80 to \$33.90 per cwt and lamb prices rose \$7.00 to \$100.00 per cwt. Milk prices decreased \$0.10 per cwt from April to \$11.10 per cwt.

Steer and heifer prices for mid-June averaged \$81.00 per cwt.; cows averaged \$45.20 per cwt.; calves averaged \$96.70 per cwt.; and milk prices averaged \$11.10 per cwt.

Nationally, prices for May and changes from April were as follows: winter wheat was unchanged at \$3.19; spring wheat was \$3.55, up \$0.06; durum wheat was \$3.99, up \$0.01; the all barley price was \$2.91,

up \$0.04, and steer and heifer prices were \$79.50, up \$0.70 per cwt.

The U.S. mid-June winter wheat price was \$3.02 per bushel, spring wheat was \$3.39 per bushel, durum wheat was \$3.80 per bushel, all wheat was \$3.09 per bushel, malt barley was \$3.21 per bushel, feed barley was \$2.36 per bushel, and all barley was \$2.77.

Steer and heifer prices were \$79.20 per cwt, cow prices were \$41.30, calves were \$102.00 per cwt., all hog prices were \$45.20 per cwt, and all egg prices were \$0.678 per dozen.

The June All Farm Products Index is 106 percent of its 1990-92 base, unchanged from the May index, up 8 points (8.2 percent) from June 2002.

United States Index Summary

INDEX (1990-92=100)	May 2002	June 2002	May 2003	June 2003
Prices Received	96	98	106	106
Prices Paid, Interest, Taxes, & Farm Wage Rates 1/	123	123	127	127
Ratio 2/	78	80	83	83

1/ Prices paid indexes (1990-92=100) published monthly. 2/ Ratio of index of prices received by farmers to index of prices paid.

Montana Average Farm Prices Received

Commodity	UNIT	Monthly Average				Change From Previous		Mid-Month Average	
		Montana			U.S.	Month	Year	Montana	U.S.
		May 2002	April 2003	May 2003	May 2003	April 2003	May 2002	June 15, 2003	June 15, 2003
		Dollars							
Winter Wheat	Bu.	2.99	3.32	3.38	3.19	+0.06	+0.39	3.28	3.02
Durum Wheat	Bu.	3.71	4.27	4.37	3.99	+0.10	+0.66	4.45	3.80
Spring Wheat	Bu.	2.94	3.69	3.65	3.55	-0.04	+0.71	3.45	3.39
All Wheat	Bu.	3.01	3.71	3.64	3.33	-0.07	+0.63	3.52	3.09
Barley, All	Bu.	2.55	2.88	2.44	2.91	-0.44	-0.11	2.58	2.77
Feed Barley	Bu.	2.19	2.24	2.13	2.33	-0.11	-0.06	2.35	2.36
Malt Barley	Bu.	2.93	3.23	3.19	3.19	-0.04	+0.26	3.15	3.21
Oats	Bu.	2.22	N/A	2.03	1.95	0	-0.19	N/A	1.84
Alfalfa Hay	Ton	90.00	81.00	79.00	102.00	-2.00	-11.00	79.00	98.90
All Other Hay	Ton	82.00	69.00	68.00	87.30	-1.00	-14.00	72.00	79.20
All Hay Baled	Ton	89.00	79.00	78.00	99.20	-1.00	-11.00	78.00	94.60
Steers & Heifers	Cwt	76.80	82.90	84.00	79.50	+1.10	+7.20	81.00	79.20
Cows	Cwt	40.80	43.50	45.60	42.40	+2.10	+4.80	45.20	41.30
Beef Cattle 1/	Cwt	57.40	75.80	66.00	75.50	-9.80	+8.60	58.40	75.30
Calves	Cwt	92.90	95.40	99.00	100.00	+3.60	+6.10	96.70	102.00
Sheep 2/	Cwt	21.90	31.10	33.90	31.10	+2.80	+12.00	N/A	N/A
Lambs 2/	Cwt	66.50	93.00	100.00	97.50	+7.00	+33.50	N/A	N/A
All Milk	Cwt	12.60	11.20	11.10	11.10	-0.10	-1.50	11.10	11.10

1/ Composite of steers, heifers, and cows. 2/ Mid-month prices for sheep and lambs discontinued January 1996.

Wheat: Supply, Disappearance, and Price, United States, 1985-2003

Year Begin- ning June 1	SUPPLY				DISAPPEARANCE						Ending Stocks May 31	Season Avg. Price
	Begin- ning Stocks	Prod- uction	Imports 1/	Total	Domestic Use				Exports 1/	Total Disap- pearance		
					Food	Seed	Feed 2/	Total				
---Million Bushels---												
1985 ...	1,425	2,424	16	3,866	674	93	284	1,052	909	1,961	1,905	\$ 3.08
1986 ...	1,905	2,091	21	4,017	712	84	401	1,197	999	2,196	1,821	2.42
1987 ...	1,821	2,108	16	3,945	721	85	280	1,086	1,598	2,684	1,261	2.57
1988 ...	1,261	1,812	23	3,096	715	103	157	975	1,419	2,394	702	3.72
1989 ...	702	2,037	23	2,765	749	104	139	992	1,233	2,225	536	3.72
1990 ...	536	2,730	36	3,302	790	93	482	1,365	1,068	2,434	868	2.61
1991 ...	868	1,980	41	2,888	789	94	244	1,127	1,280	2,412	475	3.00
1992 ...	475	2,467	70	3,012	834	99	194	1,128	1,354	2,481	531	3.24
1993 ...	531	2,396	109	3,036	872	96	272	1,240	1,228	2,467	568	3.26
1994 ...	568	2,321	92	2,981	853	89	344	1,287	1,188	2,475	507	3.45
1995 ...	507	2,183	68	2,757	883	104	153	1,140	1,241	2,381	376	4.55
1996 ...	376	2,277	92	2,746	891	102	308	1,301	1,001	2,302	444	4.30
1997 ...	444	2,481	95	3,020	914	92	251	1,257	1,040	2,298	722	3.38
1998 ...	722	2,547	103	3,373	908	81	397	1,385	1,042	2,427	946	2.65
1999 ...	946	2,299	95	3,339	929	92	279	1,300	1,090	2,390	950	2.48
2000 ...	950	2,232	90	3,272	950	80	304	1,334	1,062	2,396	876	2.62
2001 ...	876	1,957	108	2,941	926	84	191	1,201	962	2,164	777	2.78
2002 ...	777	1,616	78	2,472	935	83	102	1,120	860	1,980	492	3.56
2003.. 3/	492	2,311	100	2,903	930	85	175	1,190	975	2,165	738	2.80-3.40

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual, approximates feed use and includes negligible quantities used for distilled spirits. 3/ Preliminary. SOURCE: World Agricultural Supply and Demand Estimates, July 2003--ERS. Totals may not add due to independent rounding.

COMING IN NEXT REPORTER

Quarterly Milk Production	Wheat & Barley Varieties
Mink	Red Meat Production
U.S. Cattle Inventory	Egg Production
Cattle on Feed	Hogs & Pigs
U.S. Sheep Inventory	

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